

**Minutes of the Meeting of the Board of Directors
Retired Employees of Alameda County
Monday October 12, 2020, 9:30 A.M.**

Zoom Video Conferencing Board Meeting

Marian Breitbart, Acting President of the Board, called the meeting to order at 9:30 A.M.

Roll Call: Marian Breitbart, Paul Reeves, Suman Sharma, Connie Land, Rosalie Masuda, and Mary Miller were present. Mike Fara, ACERA Staff Representative, and Charo Panesi-Guerra, REAC Member and Administrative Assistant, were also present.

Minutes: Minutes of the September 14, 2020 were reviewed. No errors or corrections were noted. Marian motioned that the Minutes from the September 14, 2020 Board meeting be approved as submitted. Connie seconded the motion and the motion was approved.

Announcements: Mary reported that she had a box of supplies that she needed to give back to REAC. She also reported that she has REAC financial and tax documents which REAC needs to retain. Mary will make arrangements for returning the financial documents and supplies before she moves to Oregon. She also reminded the Board that our insurance coverage would be expiring on December 31, 2020. Marian will contact the insurance company to let them know that Suman is their new contact person and new REAC Treasurer.

Reports

ACERA: Mike Fara reported on the October 7, 2020 Retirees Committee Meeting. There was one Action item and three Information items.

The first Action Item was a presentation and acceptance of the Supplemental Retiree Benefit Reserve (SRBR) funding report and valuation. Segal, ACERA's Actuary, presented the annual Actuarial Valuation of the Other Post-Employment Benefit (OPEB) and the Non-OPEB benefits funded by the SRBR, including Sufficiency of Funds, as of December 31, 2019. This valuation is based on projections using substantive plan and medical inflation trends, as well as other assumptions consistent with ACERA's pension valuation.

Last year it was reported that the SRBR funds for OPEB benefits would exhaust in 2040 and Non-OPEB benefits in 2036. The results of the December 31, 2019 valuation indicate that the terminal year of OPEB benefits is again projected to be 2040, with full benefits paid through 2039 for a total of 20 full years and one partial year. The terminal year of Non-OPEB benefits is projected to be 2037, with full benefits paid through 2036 for a total of 17 full years and one partial year.

The Retirees Committee voted to recommend to the Board of Retirement a motion to accept the December 31, 2019 Supplemental Retiree Benefit Reserve Actuarial Valuation prepared by Segal.

The first Information Item was a SRBR Statement of Reserves as of June 30, 2020. The semi-annual interest crediting as of June 30, 2020, was completed on August 25, 2020. For the six-month period ending June 30, 2020, approximately \$234.8 million of total interest was credited to all the valuation reserve accounts, including the 401(h) account and the SRBR at a rate of return of 2.7537%, short of one half of

the assumed crediting rate of return of 3.6250%. The earnings were below the expected rate of return and as a result there was no crediting of earnings above the assumed rate of return (excess earnings).

The June 30, 2020 ending balance of the SRBR account was approximately \$921.8 million. For the six-month period ending June 30, 2020, the net deductions from the SRBR were approximately 28.4 million. These deductions include the net transfer to/from the employer advance reserve for 401(h) contributions of \$27.7 million as well as payments of supplemental COLA and retired death benefits of \$0.7 million.

The second Information Item was a final report of Open Enrollment Preparation and Communications, and the Virtual Retiree Health and Wellness Fair arrangements. Open Enrollment packets will be mailed beginning this week, either October 13th or October 14th. Copies of the full packets are available at www.acera.org/OE. Enrollment forms (medical, dental, vision) are available at www.acera.org

ACERA's Open Enrollment period for Group Plans is November 1 – November 30, 2020. ACERA's Open Enrollment for Via Benefits Non-Medicare Plans is November 1 - December 15, 2020. Open Enrollment for Via Benefits Medicare Plans is October 15 – December 7, 2020.

ACERA will be hosting a Virtual Retiree Health and Wellness Fair on October 30, 2020, beginning at 10:00 AM. During the health fair there will be live presentations from carriers and vendors. In addition, attendees will learn how to practice meditation, and calmness exercises by clicking on the links provided.

The third Information Item were miscellaneous updates. The Annual Medicare Part D Certificate of Coverage Notices will be mailed prior to the October 15th deadline. The Centers for Medicare and Medicaid Services (CMS) requires all plan sponsors, such as ACERA, of health plans that provide prescription drug benefits, to provide a Certificate of Creditable Coverage Notice to all plan participants prior to the Part D enrollment period.

The Via Benefits Medicare Fall Newsletters were mailed starting August 26th to the Medicare enrollees. The Pre-65 Fall Newsletters will be mailed starting October 28th. The Balance Reminder Statements for Health Reimbursement Account holders were mailed starting late September.

Treasurer's Report: Suman presented the September 2020 Treasurer's Report. Total Receipts were \$10,087.85 and Total Disbursements were \$6,252.71. The only unusual receipt was a \$1,555.22 refund from Creative Circle for a payment in error in August. The only unusual disbursement was a \$1,555.22 late payment to Red Arrow for September, 2020. Paul moved that the September 2020 Treasurer's Report be approved as submitted. Connie seconded the motion and the motion was approved.

Suman presented the July – September, 2020 Quarterly Report. Total Receipts were \$25,523.13 and total Disbursements were \$10,516.88. Expenditures and Disbursements are as projected in REAC's Annual Budget. Connie moved that the REAC Quarterly Report be approved as submitted. Paul seconded the motion and the motion was approved.

CRCEA: There was no additional information to report.

SACRS: Paul reported that SACRS has decided to hold a Virtual Fall Conference. It will be held from November 10, 2020 thru November 13, 2020. Registration fees for Non-Profit Members will be \$120.00. The deadline for registration is November 1, 2020. Paul will attend as REAC's representative.

Retirement Board: There was no additional information to report.

Investment Committee: There was no new information to report.

Health Care: Rosalie reported that the Center for Disease Control and Prevention (CDC) continues to recommend getting a flu shot. Kaiser has both drive-up and walk-up flu shot locations. Kaiser's website has information regarding which facility and which locations have drive-up and walk-up options. Members can also call 1 (800) 573-5811 to make an appointment.

Activities: There was nothing new to report.

Membership and Recruitment: Charo reported that as of September 30, 2020 membership stood at 3,939 members. Suman asked if it was time to conduct a membership drive. Since it has been several years since a membership drive was done, the Board agreed that we should conduct a membership drive in 2021. Paul volunteered to help Charo conduct the membership drive.

Administrative Staff Position: Connie and Charo have concluded their meetings. Charo has now assumed all the REAC Membership Chair responsibilities. Charo asked if she should continue to send ACERA the REAC letters which are included in the retiree's packet. Since the process is now online, it does not seem like our letters are being used. Marian will email Mike to see how their process is now being done, and how we might have our letters included in that process.

REAC News: The next REAC News will include See's candy information, Open Enrollment, SRBR valuation, and the vacancy on the Board.

New Business: There was no new business to report.

Old Business: There was no old business to report.

For the Good of the Order: Everyone took a moment and thanked Mary for her work on the Board. She will be missed.

Meeting adjourned at 11:00 a.m.

Respectfully submitted by Paul Reeves, Board Secretary

**Next Meeting: November 9, 2020, 9:30 a.m. (Monday)
Zoom Video Conferencing**